

The FY 1999/2000 all funds budget totals \$344 million. This represents an increase of approximately \$27 million or 8.7% more than the FY 1998/99 budget. This summary describes the budget by fund type.

GENERAL FUND

Overall, the General Fund revenue projection, including all sources, is an increase of \$9 million or 5.5% over the adopted FY 1998/99 budget. The following table summarizes the revenue picture:

REVENUE SUMMARY

<u>Resources Available</u>	FY 1998/1999 Original Budget	FY 1998/1999 Estimated Actual	FY 1999/2000 Adopted Budget
Ad Valorem Taxes - Operating	\$ 52,815,892	53,015,000	56,341,621
Ad Valorem Taxes - Debt	7,011,022	7,062,150	6,904,732
Franchise Fees	12,337,280	12,643,922	12,712,120
Utility Taxes	25,647,870	26,825,000	27,284,675
Licenses & Permits	7,532,238	7,879,806	7,882,300
Intergovernmental	17,262,996	18,222,109	14,587,600
Charges for Services	16,841,867	15,953,471	14,287,024
Fines & Forfeitures	1,946,324	2,090,947	1,939,500
Miscellaneous:			
Interest	928,200	990,410	957,530
Leases/Rents	1,979,241	2,195,722	2,166,134
Special Assessments	-	-	5,114,249
Other Miscellaneous	13,331,739	13,167,198	13,852,033
Non-Revenues:			
Working Capital Reserve	1,500,000	1,500,000	1,500,000
Prior Year Balance	4,523,011	8,942,905	4,950,383
Transfers	396,248	435,638	300,000
Total Resources Available	\$ <u>164,053,928</u>	<u>170,924,278</u>	<u>170,779,901</u>

Ad Valorem Taxes – The adopted ad valorem or property tax millage rate for operating purposes is 4.9574 compared to the previous operating millage rate of 5.0062. In addition to the property tax levied for operating purposes, property taxes also include a separate debt levy which is used to pay debt service costs (principal and interest payments) on outstanding General Obligation (G.O.) Bonds. The 1977 bond issue has been retired with the payments made during FY 1998/1999. The current outstanding debt issues are 1987 bonds which were refunded in 1992 and again in 1998. Debt service for that issue will be \$3,916,300 in FY 1999/2000 which will require a levy of \$4,222,731 and a millage rate of 0.3549 compared to the previous millage rate of 0.3825. The 1997 bond issue requires a debt service payment in FY 1999/2000 of \$2,880,423 which requires a gross levy of \$3,023,375 and a millage rate of 0.2541 compared to the previous

millage rate of 0.2733. The combined millage rate for operating and debt service for Fiscal Year 1999/2000 is 5.5664 compared to the previous combined rate of 5.6733.

Property taxes from the debt levy are shown as revenue to the General Fund and then transferred to the debt service fund. Accordingly, transfers from the General Fund to the debt service fund are in the amount of \$6,904,732 which assumes a 95.5 percent collection rate as well as receipt of some delinquent taxes from prior years. To the extent the City receives any delinquent payments for 1977 bonds, the payments will be applied to current G.O. debt service obligations.

The operating property tax rate is restricted to no more than 10 mills (\$10 per \$1,000 of taxable value) for municipalities. Adoption of any increase in the total levy beyond new construction or annexation is required to reference the rolled-back rate, which is the rate necessary to generate the same taxes as were received in the prior year. The City's rolled-back rate for FY 1999/2000 is 4.7129. Compared to this rolled-back rate, the adopted rate is a 5.22 percent increase. The increase in the total rate is 4.22% over rolled-back. As described in the City Manager's Budget Message, the dollar impact to the average homeowner in Fort Lauderdale is no increase due to the impact of the "Save Our Homes" State Constitutional amendment. That provision limits the increase in assessed value to the Consumer Price Index. For this year, the limit is 1.6 percent. The limit essentially shifts the tax burden from residential property to non-residential property.

Impact of Property Tax Rates on Average Homeowner

	Levied <u>FY 1998/1999</u>	Adopted <u>FY 1999/2000</u>
Assessed Value	\$150,000	\$152,400
Homestead Exemption	<u>25,000</u>	<u>25,000</u>
Taxable Value	\$125,000	\$127,400
Operating Millage	5.0062	4.9574
Debt Service Millage	<u>0.6671</u>	<u>0.6090</u>
Total Millage	5.6733	5.5664
Total Tax Bill	\$709.16	\$709.16

Following is a comparison of current millage rates for Broward County taxing jurisdictions as well as larger Florida cities:

ADOPTED OPERATING MILLAGE RATES FOR FY
1999/2000

<u>JURISDICTION</u>	<u>MILLAGE</u>	<u>PERCENTAGE</u>
Broward County Schools	8.6740	35.4%
Broward County	7.5710	30.9%
FORT LAUDERDALE	4.9574	20.2%
North Broward Hospital	2.4895	10.1%
S. Florida Water Mgmt.	0.6970	2.8%
Hillsboro Inlet District	0.0955	0.4%
Florida Inland Navigation	0.0440	0.2%
	24.5284	100.0%

FY 1999/2000 Operating Millage Rates as Adopted per \$1,000
of Taxable Value for Florida Cities over 100,000 Population

Jacksonville*	10.7618
Miami	9.5000
Miami Beach	7.4990
Hialeah	7.4810
St. Petersburg	7.2500
Tampa	6.5390
Hollywood	6.2999
Orlando	6.0666
Clearwater	5.5032
FORT LAUDERDALE	4.9574
Tallahassee**	3.2000

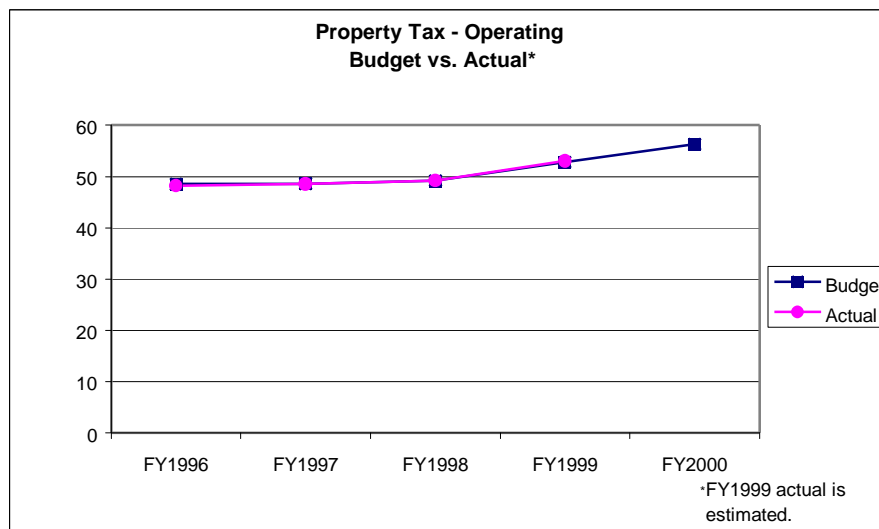
*Jacksonville, which is consolidated with Duval County, may levy up to \$2 per \$1,000 of value.

** Tallahassee operates its own power company. Revenues from that operation heavily subsidize their general fund.

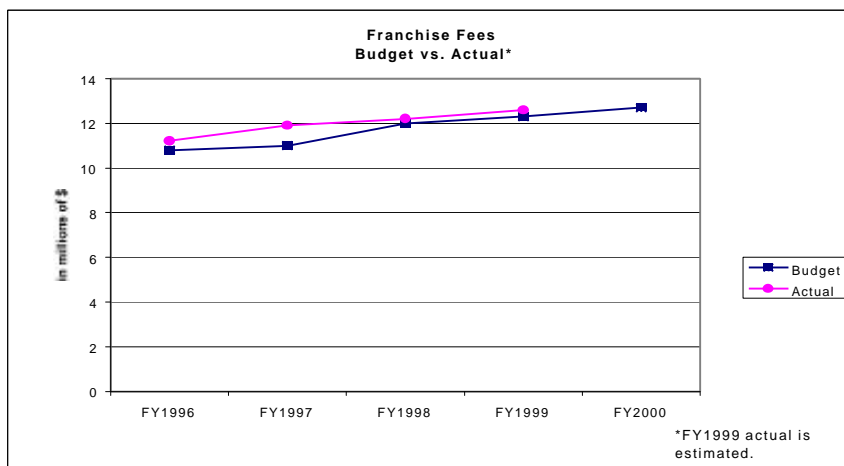
BROWARD COUNTY CITIES – POPULATION AND MILLAGE RATES

<u>City</u>	<u>Population</u>	<u>Rank</u>	FY 1999/2000 Operating	<u>Rank</u>
			<u>Millage</u>	
Pembroke Park	4,789	25	8.2500	1
Hallandale	31,413	16	6.9870	2
Miramar	52,882	9	6.9226	3
Margate	50,315	11	6.7266	4
Sunrise	77,025	6	6.3250	5
Hollywood	126,917	2	6.2999	6
Dania	17,705	21	6.1000	7
Wilton Manors	11,841	23	5.9666	8
Cooper City	28,158	18	5.8570	9
Sea Ranch Lakes	616	28	5.8000	10
Deerfield Beach	50,213	12	5.6910	11
Lauderhill	50,131	13	5.6000	12
Oakland Park	28,087	19	5.2059	13
Davie	62,738	8	5.1086	14
Coconut Creek	37,865	15	5.0959	15
Tamarac	51,488	10	4.9999	16
FORT LAUDERDALE	149,798	1	4.9574	17
Lauderdale Lakes	27,865	20	4.9500	18
North Lauderdale	29,057	17	4.8805	19
Pompano Beach	74,248	7	4.3901	20
Hillsboro Beach	1,763	27	4.2140	21
Parkland	12,072	22	4.1000	22
Lighthouse Point	10,458	24	3.9113	23
Pembroke Pines	112,692	3	3.9034	24
Lauderdale-by-the Sea	3,796	26	3.8500	25
Plantation	78,952	5	3.7500	26
Coral Springs	107,156	4	3.4011	27
Lazy Lake	35	29	3.1000	28
Weston	38,610	14	1.5235	29

The following graph shows the five-year trend of property tax budget estimates vs. actual collections.

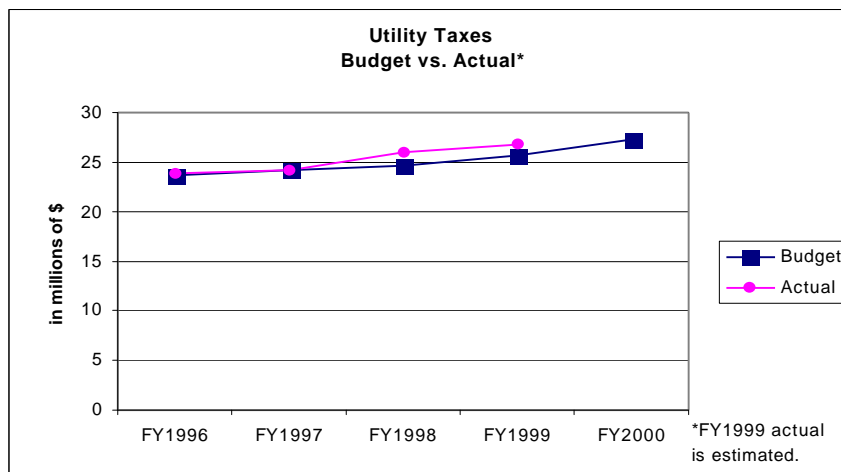


Franchise Fees – Franchise fees are payments made by utility companies for the privilege of constructing upon and operating within property owned by the City. The basis for the fees is provided for in long-term agreements, which do not expire for several years. Florida Power and Light (FPL), which is projected to pay 82 percent of the \$12,712,120 estimated, remits 6 percent of its gross revenue derived from accounts within the City limits, less property tax and minor fees previously paid to the City. Other franchise fee payers include People’s Gas, BellSouth, and Comcast Cable Television. The projection for FY 1999/2000 reflects a 3 percent increase from the previous year’s budget due mainly to increased consumption of utilities. The graph shows the five-year trend for franchise fees comparing the original budget estimate to actual receipts.

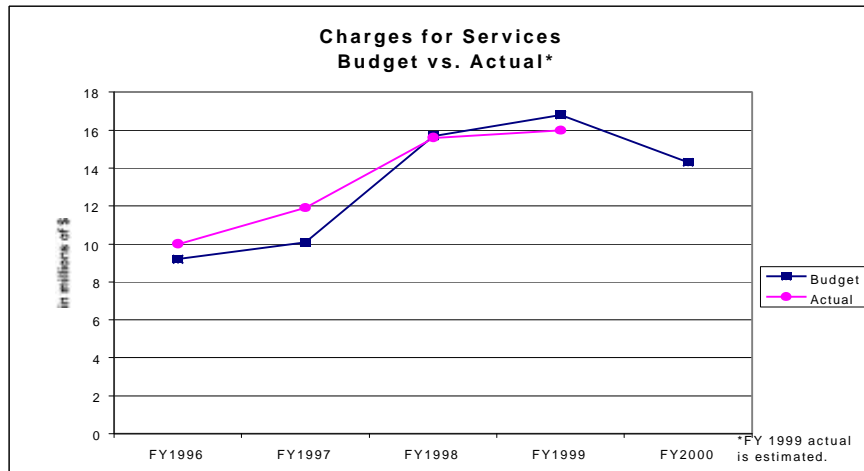


Utility Taxes – The City levies a 10 percent utility tax on electric, gas, and water utility bills for customers within the City. The telecommunications rate is 7 percent. As with franchise fees, FPL is the largest

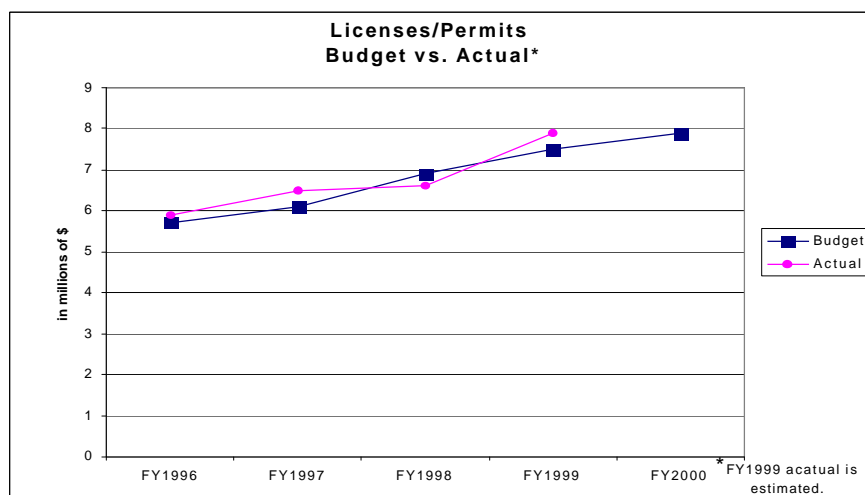
taxpayer comprising 51 percent of the total amount projected. This revenue source continues to benefit from the expansion of cellular telephone use. The projection reflects a continued strong showing for this revenue and the graph below compares budget projections with actuals over the last five years.



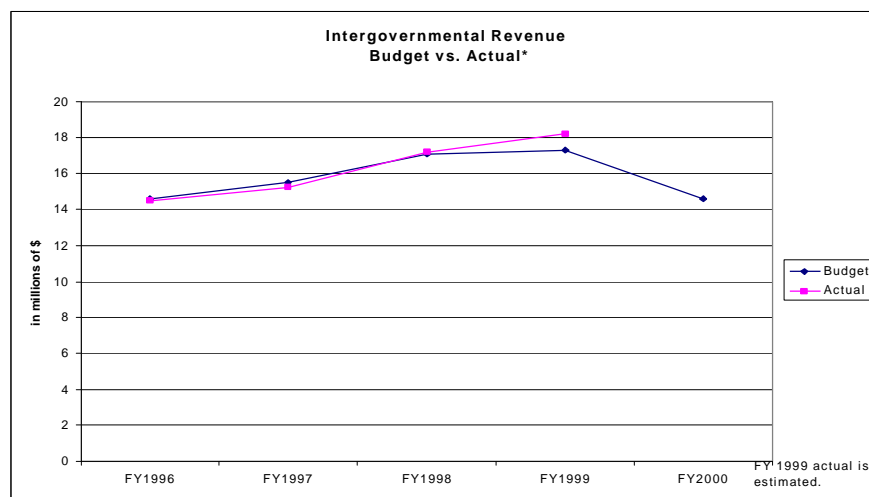
Charges for Services – This revenue is associated with revenue received from users of specific services. These services include user fees for police, building inspection, planning, and docks as well as parks and recreation. There are significant changes in this revenue category. A new agreement with the Broward Sheriff's Office provides for police communications so that the City no longer incurs the expense of salaries and benefits for dispatchers. Consequently the City does not receive reimbursement from Broward County (\$4 million) which was the situation for the last three years. Such reimbursement was included in charges for services. Other reductions in this revenue category include the loss of detention revenue from Broward County for booking at the City jail and the use of City jail space for the Alternative Treatment Against Crack Cocaine (ATACC) Program (\$979,000). The projection does include the revenue to be received from patients transported under the City's new emergency medical service program (\$3 million). The projected loss of revenue in FY 1999 from original budget projections is due to premature dropping of service demand from Broward County for jail space with the opening of new County facilities and some loss of revenue at special events. The following chart reflects these changes.



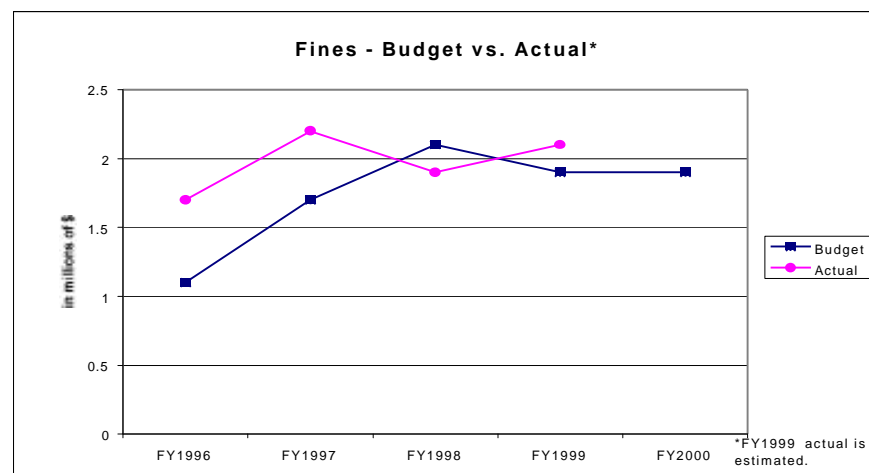
License and Permit Fees – License and permit fees include occupational licenses issued to authorize business to operate within the City limits and development permits issued to authorize building and construction within the City limits. While the occupational license revenue is fairly static, the development permits reflect the strong economic conditions and the market demand for office, retail, and residential construction. The permit revenue is projected to increase 4.6 percent from the FY 1998/1999 original budget estimates for this fiscal year. The following graph shows the five-year trend of license and permit revenue. Generally, the projections have tended to be conservative with actuals exceeding projections except in FY 1997/1998 because of a delay in permit fee adjustments.



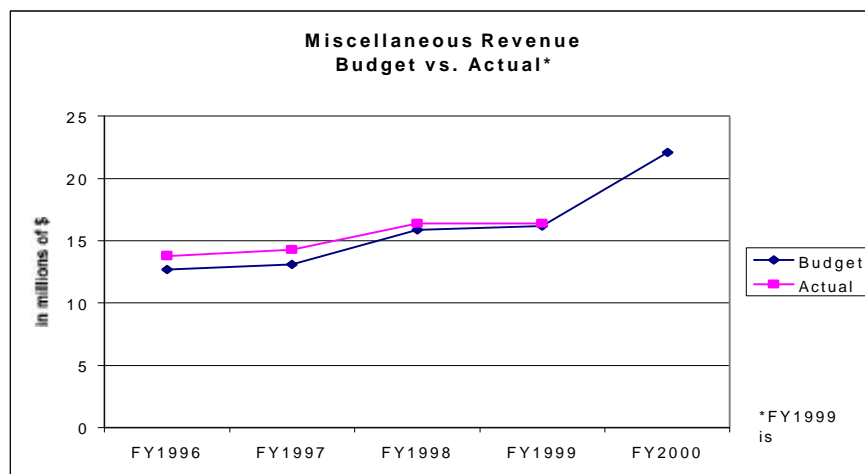
Intergovernmental Revenue – This revenue source is comprised of recurring State and County-shared revenue. The State of Florida shares motor fuel, alcoholic beverage license, cigarette, and sales tax revenue with local government on the basis of population. Broward County provides gasoline and occupational license revenue. The major change in this revenue category is the City’s decision to provide emergency medical services on its own. For the past three years, the City was a participant in the Broward County Municipal Services Benefit Unit (MSBU) for emergency medical services. Therefore, FY 1999 reflected a \$3 million reimbursement for City expenses by the MSBU. The FY 1999/2000 budget reflects the elimination of that revenue offset by an increase in the miscellaneous revenue category with the levying of a non-ad valorem special assessment for fire-rescue. The following graph reflects these changes.



Fines and Forfeitures – This revenue category includes fines for traffic and other City Code violations. The revenue source has been fairly volatile but it is intended primarily to encourage compliance with the City code rather than be a revenue generator. The revenue represents only 1.1 percent of all General Fund resources.



Miscellaneous Revenue – This revenue source includes interest earnings, rents, the new special assessment or fire-rescue, and interfund charges. The major change is the levying of the new special assessment, which is estimated to generate \$5.1 million. The City Commission has approved a rate schedule developed by an outside consultant and all property owners within the City limits have been notified of the new fee. Property owners will no longer pay the MSBU fee to Broward County which was levied the last three years (and will pay less with the City's new fee than the adopted fee that Broward County is charging to residents outside the City).



Non-Revenues – Non-revenues consist of working capital reserve, prior year balance, and transfers from other funds. The working capital reserve was created in FY 1993/1994 to provide additional protection against economic downturns. The prior year balance represents available funds from the current year to fund next year's budget. The FY 1998/1999 amount differs from the budgeted amount in that the estimate reflects encumbrances incurred in the previous year which were outstanding at September 30, 1998 as well as any additional balance available after the final audit of the previous fiscal year. The one transfer into the General Fund for FY 1999/2000 is a \$300,000 transfer from the Beach Community Redevelopment Agency for payback to the General Fund, which fronted investment and management of beach projects before a positive tax increment was available.

GENERAL FUND

EXPENDITURE SUMMARY BY DEPARTMENT

<u>Resources Allocated</u>	<u>FY 1998/1999 Original Budget</u>	<u>FY 1998/1999 Estimated Actual</u>	<u>FY 1999/2000 Adopted Budget</u>
Administrative Services	\$ 7,490,588	7,453,086	8,258,203
City Attorney	1,606,532	1,594,105	1,658,718
City Clerk	682,136	756,355	833,746
City Commission	201,439	195,679	194,048
City Manager	1,538,679	1,572,688	2,613,462
Community & Economic Development	-	-	6,584,101
Finance	3,058,412	2,997,472	3,222,854
Fire-Rescue	-	-	31,902,366
Fire-Rescue and Building	32,022,823	34,235,883	-
Parks and Recreation	21,256,328	22,413,014	21,435,641
Planning & Economic Development	5,481,042	5,226,077	-
Police	58,502,709	60,136,512	58,049,356
Public Services	10,993,666	10,761,793	16,157,516
Other General Government	1,777,189	2,214,931	1,446,545
Contingencies	2,700,000	340,000	1,489,100
Transfers Out	15,242,385	14,576,300	15,434,245
Working Capital Reserve	1,500,000	1,500,000	1,500,000
Year End Balance	-	4,950,383	-
Total Resources Allocated	\$ <u>164,053,928</u>	<u>170,924,278</u>	<u>170,779,901</u>

Administrative Services – The budget includes a new Clerk Typist I position (\$27,000) to implement vendor registration in the Purchasing Division. Funding is also provided for a classification and pay study for management and confidential positions (\$50,000 in the General Fund plus \$15,000 from other funds).

City Clerk – The budget includes funding for City elections in February and March 2000 (\$86,000). A total of \$30,000 is included to purchase software for electronic access to Commission agenda material by persons other than Clerk staff. The appropriation also provides for continuation of part-time help for the City Clerk.

City Manager's Office – The budget reflects the portion of the organizational realignment that transferred Public Information from the former Planning and Economic Development Department. The appropriation includes the purchase of a citizen response system (\$30,000) and additional resources for Diversity Management including an Equal Opportunity Specialist starting mid-year (\$22,000), managerial training and program materials (\$20,000), and appropriate office space (\$17,000).

Fire-Rescue – This department reflects the administrative realignment that has transferred the One-Stop Shop for development to Public Services, and Code Enforcement to Community and Economic Development. The transfers leave the Department with its main mission of fire suppression, emergency medical services (EMS), and fire prevention. The budget provides for implementation of the entirely City-managed EMS program including the full-year's cost of 54 additional firefighter/paramedics authorized in FY 1998/1999, supplies and a billing clerk (\$200,000), and additional fleet charges for keeping ten ambulances available for service (\$618,000). It also provides for the one-time cost of termination pay for firefighters participating in the Deferred Retirement Option Program (DROP) at a price tag of \$1.2 million. Fire-rescue dispatch services have been transferred here from the Police Department resulting in a budget increase of \$422,000. An additional \$250,000 has been added to the appropriation to more fully cover anticipated overtime.

Community and Economic Development – The Department is the reorganized, previously named Planning and Economic Development Department. The new department includes staffing for the Community Area Planning (CAP) program (\$151,000 in additional costs) and increased staffing for Code Enforcement including an Assistant Community Inspections Manager (\$56,000), a Service Clerk (\$32,000), full-year funding for four lead Code Enforcement Officers, and \$30,000 for part time citizen code officers.

Parks and Recreation – The budget emphasizes the maintenance of newly completed parks bond projects including Holiday Park (\$120,000), various neighborhood parks (\$116,000), and Mills Pond Park (\$44,000). Maintenance of Florida Department of Transportation improvements is also included (\$40,000).

Police – The budget provides for the grant match to fund six civilian positions (\$210,000) which will free up six police officers who will be redeployed to more fully use their training as law enforcement officers. Other new positions approved in this budget include a victim notification clerk, a Haitian liaison, and a senior systems administrator (\$140,000). A total of \$1 million has been added to the appropriation to more closely cover the anticipated use of overtime. Also \$1.1 million was added for police officers participating in the DROP program. The budget has been reduced by \$3.3 million since police dispatch has been taken over by the Broward County Sheriff's Office and fire-rescue dispatch has been transferred to the Fire-Rescue Department.

Public Services – The Department reflects the reorganization which has transferred the One-Stop Shop for development from the former Fire-Rescue and Building Department to Public Services. The budget includes full funding of temporary positions added in prior years but funded through salary savings. In addition, an Administrative Aide position has been included for zoning (\$40,000) as well as funding for technological improvements (\$50,000) in the One-Stop Shop.

Other General Fund Expenditures – This expenditure category includes items that are not attributable to City departments. Funding is provided for various social service, cultural, and promotional organizations in the community. The Community Services Board has evaluated the social and cultural applications for this funding and the Economic Development Advisory Board has reviewed the promotional proposals. The Other General Fund Expenditures budget also includes funding for City mission related expenditures.

EXECUTIVE SUMMARY
1999

OCTOBER

<u>SOCIAL ORGANIZATIONS</u>	<u>Budget FY 1997/1998</u>	<u>Budget FY 1998/1999</u>	<u>Request FY 1999/2000</u>	<u>Adopted FY 1999/2000</u>
4th Avenue Church of God	\$ 0	0	71,467	0
A Child is Missing	0	0	5,000	2,500
Alzheimer's	4,545	3,625	6,000	5,864
Area Agency On Aging	31,071	33,801	77,010	38,756
Boy Scouts Of America	0	9,628	18,000	2,500
Broward Homebound	5,000	4,406	7,000	5,250
Children's Diagnostic Center	3,409	0	5,700	2,500
Family Central	40,844	28,060	129,701	40,339
First Call For Help	0	7,272	12,025	2,500
Friends Of Children	8,409	0	0	0
Girl Scouts	3,809	6,266	6,402	2,500
Henderson Mental Health	0	0	7,980	0
Holiday Park Optimist Club	0	7,500	30,000	0
House Of Hope	5,617	0	0	0
Kids In Distress	5,909	8,641	10,000	3,409
Kids Voting Broward	0	0	5,000	0
Lighthouse for Blind	5,318	5,313	7,500	3,636
Miss Wheelchair Florida	0	0	7,500	0
Sickle Cell Association	0	0	7,000	2,500
Rainbow Crusaders	4,275	0	0	0
Starting Place	2,708	7,000	15,000	2,500
United Hearing & Deaf	0	2,865	7,500	4,091
Urban League	5,455	8,333	20,000	6,496
Women In Distress	5,000	3,646	7,500	4,659
<u>SOCIAL SERVICE TOTAL</u>	\$ 131,369	136,356	463,285	130,000

CULTURAL ORGANIZATIONS

A Child's First Impression	\$ 0	0	5,000	2,606
Bonnet House	4,608	3,269	5,000	2,606
Florida Philharmonic	0	0	3,500	2,606
Ft Laud Children's Theatre	7,539	5,865	9,500	5,720
Museum Of Art	7,903	2,779	0	0
Old Dillard Museum	0	6,731	15,000	7,947
Opera Guild	0	0	10,000	3,515
Stranahan House	4,948	0	5,000	5,000
<u>CULTURAL TOTAL</u>	\$ 24,998	18,644	53,000	30,000

EXECUTIVE SUMMARY
1999

OCTOBER

PROMOTIONAL ORGANIZATIONS	Budget FY 1997/1998	Budget FY 1998/1999	Request FY 1999/2000	Adopted FY 1999/2000
Chamber of Commerce	\$ 0	0	21,200	17,410
Curtis Neuschaefer	0	0	5,000	0
Dillard High School Task Force	2,500	0	5,900	5,900
Federal Little League	3,000	0	0	0
Florida Philharmonic	0	3,500	15,000	0
Florida Regional Minority Purchasing Council (FRMPC)	0	0	10,000	5,424
Fort Lauderdale Film Festival	7,000	8,500	15,000	7,227
Gay & Lesbian Community Center	0	0	11,000	0
JGF Freelance Communications	0	0	15,000	0
Language Academy	0	0	8,500	0
Las Olas Association, Inc.	0	0	22,000	3,299
Metro-Broward Economic Development.	5,000	5,000	0	0
Mount Olive Development Corporation	0	8,000	0	0
Museum of Art	5,000	6,500	0	0
Navy League	2,500	5,000	5,000	3,236
Performing Arts Center Authority	0	4,000	25,000	3,711
Riverwalk Fort Lauderdale, Inc.	0	0	3,500	2,299
Sunshine Football Classic (MICRON PC Bowl)	5,000	4,500	15,000	4,486
Whitbread Race Americas	10,000	0	0	0
Winterfest	10,000	10,000	25,000	7,908
PROMOTIONAL TOTAL	\$ 50,000	55,000	202,100	60,900
TOTAL ALL CONTRIBUTIONS	\$ 206,367	210,000	718,385	220,900

Contingencies – This appropriation is designed to cover expenditures not anticipated at the time of budget adoption.

Year-End Balance/Working Capital – Savings in the current fiscal year (revenues minus expenditures) represent a significant resource for funding budgetary requirements. The City has traditionally appropriated all identified resources for service delivery except for \$1.5 for working capital reserve. Such a reserve provides a minimal safety net for drops in revenue. The City's track record for actual General Fund ending balance is four to five percent of total resources.

Transfers – A transfer is an interfund transaction. Transfers out of the General Fund include resources for debt service (principal and interest) payments, contribution to the capital improvement program, and grant matching dollars.

	FY 1998/1999	FY 1998/1999	FY 1999/2000
<u>TRANSFERS IN</u>	<u>Original</u>	<u>Estimated</u>	<u>Proposed</u>
	<u>Budget</u>	<u>Actual</u>	<u>Budget</u>
MIU Confiscation	\$ 50,000	89,390	-
Sunshine State Construction	107,750	107,750	-
Community Redevelopment	238,498	238,498	300,000
Total Transfers In	\$ 396,248	435,638	300,000
<u>TRANSFERS OUT</u>			
Capital Improvement Plan	\$ 3,549,062	3,549,062	3,700,000
Beach Community Redev. Agency	381,393	366,234	557,719
General Obligation Bond Debt Svc.	7,011,022	7,035,900	6,904,732
Excise Tax Debt Service	1,357,163	2,277,961	2,651,926
Sunshine State Debt Service	2,024,127	197,885	562,920
Vehicle Rental Fund	-	229,640	108,000
Grant Matching Funds	724,000	724,000	724,000
Parking Fund	195,618	195,618	224,948
Total Transfers Out	\$ 15,242,385	14,576,300	15,434,245

SANITATION FUND

The Sanitation Fund provides the City with refuse collection, trash transfer station, lot clearing, bulk trash collections, recycling and street cleaning services. In early FY 1998/1999 we proceeded with enhancing our level of service in this program by providing once a week yard waste cart service to our customers. This enhanced level of service has resulted in the twice-monthly bulk service to be adjusted to once a month. In addition, we have reduced the size of the refuse containers to encourage recycling. These changes have enabled us to meet the increases due to COLAs and other operational increases without raising rates.

Remediation of the old Wingate Landfill and Incinerator site is proceeding and based on the agreements between the City, the other Potential Responsible Parties and EPA, it should be able to be financed with the 6% rate increase approved by the City Commission for this purpose in April 1995.

The FY 1999/2000 budget for Sanitation is \$16,648,846 an increase of \$119,855 or 0.7% from the FY 1998/1999 budget. This increase results primarily from the 3.5% COLA for the AFSCME Union contract as well as management employees and a payment to the Water & Sewer Fund for Sanitation Fund's portion of the utility billing operation. Sanitation revenues are sufficient to meet operational commitments and no increase in rates is necessary. The ending fund balance is projected to increase by 8 percent over the estimated FY 1998/1999 amount due to a stabilization of costs and service levels.

WATER AND SEWER FUND

The City of Fort Lauderdale supplies water and sewer services on a regional basis for over 300,000 residents of central Broward County. Areas serviced by the City's water treatment and distribution system include Fort Lauderdale, Port Everglades, Sea Ranch Lakes, Lauderdale-by-the-Sea, Oakland Park, Wilton Manors, and portions of unincorporated Broward County, Davie, and Tamarac.

The total FY 1999/2000 operating budget for the Water and Sewer Fund is \$33,489,498, an increase of \$1,579,133 or 4.9% above the FY 1998/1999 budget. The increase is due to the 3.5% COLA for the AFSCME Union contract and approximately \$1.15 million for an enhanced water meter replacement program. The water meter replacement program has additional revenue associated with it which will more than offset the cost of the program by the end of the second year. Other increases were minimized by the efforts of the Public Services CALM Committee (RESCUE) to reduce operating costs while still maintaining service levels. Water and Sewer Fund revenues are sufficient to meet operational commitments with no increase in rates necessary. The ending fund balance is down 32% from the estimated amount for FY 1998/1999 due to the \$8 million increase in the transfer of operating funds to the Water and Sewer capital improvement program.

The Commission has recognized the need to continue to invest in the recapitalization of the City's water and sewer infrastructure. The enhanced water main replacement program, increased levels of sewer rehabilitation and other ongoing capital needs require an increased level of transfer into the capital program. To generate funds for these future requirements, a 4.0% across-the-board water and sewer rate increase had been included in previous years. No increase for capital projects is recommended this year. As in the past, major capital dollars beyond our "pay as you go" philosophy for funding long-range projects such as water plant modifications for ozone, membrane filtration treatment, major inflow and infiltration sewer projects and finalizing the sludge residuals issue, will be generated from the proceeds of external debt instruments. By the end of FY 1999/2000 our Master Plans will be completed which will give us a better handle on our capital needs as we head into the new millennium.

CENTRAL REGIONAL WASTEWATER SYSTEM FUND

The City of Fort Lauderdale, through Large User Agreements, operates the Central Wastewater Region to provide treatment services for Fort Lauderdale, Oakland Park, Wilton Manors, Port Everglades, and parts of Tamarac. These agreements, necessitated by federal funding requirements, establish the methodology for setting rates to large users. The City Commission establishes a billing rate based upon estimated expenses

for the coming fiscal year. At the close of each fiscal year, the fund is audited and the actual rate determined. If necessary, lump sum rebates or charges are made to adjust the amounts paid during the year. In the past, the rate calculated at year end has been less than the budgeted rate resulting in rebates instead of charges.

The FY 1999/2000 operating budget for the Central Regional Wastewater System is \$7,884,294 a decrease of \$248,435 which translates to a 3.0% decrease over the FY 1998/1999 budget. This decrease in budget is offset by a reduction in wastewater flows that will require a Large User rate of \$0.77 per 1,000 gallons of wastewater treated. This rate should provide adequate revenues for the Region's needs through the end of FY 1999/2000. The ending fund balance is projected to decline by \$81,546 from the estimated amount for FY 1998/1999 due to increased contributions to capital improvements.

STORMWATER MANAGEMENT SYSTEM FUND

The City's Stormwater Management program is entering its eighth year of operation. Revenues collected are used for operating expenses and capital improvements directly related to the management of stormwater, including improvements designed to increase water quality in the City's waterways. Stormwater capital funds were used this past year, for example, to fund those improvements in the Executive Airport/Fiveash Wellfield area, which are directly related to water quality improvements.

The FY 1999/2000 Stormwater operating budget is \$2,260,546 an increase of \$285,537 or 14.4% from the FY 1998/1999 budget. This increase results from the one time cost for upgrading a TV inspection truck which will result in a more efficient operation as well as a payment to the Water & Sewer Fund for the Stormwater Fund's portion of the utility billing operation and pay increases per the AFSCME contract and management cost of living adjustment. Stormwater revenues are sufficient to meet operational commitments with no increase in rates. There is a negligible change in the projected ending fund balance.

PARKING SERVICES FUND

The City's parking system provides 8,969 parking spaces located in three parking garages and numerous parking lots as well as on-street parking. The FY 1999/2000 Parking Services operating budget is \$5,422,122 an increase of \$592,636 from the FY 1998/1999 budget. The ending fund balance is projected to decline slightly by \$140,208.

Parking Services is exploring the possibility of a public-private partnership to create additional publicly controlled parking at the beach by Sunrise Boulevard and A-1-A.

New public parking will be developed at the former helistop and homeless sites downtown, under the deck area of the new 17th Street Causeway Bridge and also at Earl Lifshey Park located at the S.E. corner of Oakland Park Boulevard and A-1-A.

The new BridgeSide Square development parking facility will provide 524 public parking spaces. The parking facility will be operated as an attendant facility after the first phase of construction is completed. Once construction is completed, multi-space parking meters and the sale of monthly parking permits will then be available at this parking facility.

Expansion of metered facilities and 24 hour enforcement in the downtown area, coupled with the opening of the garage at BridgeSide Square, necessitates four (4) additional positions in the enforcement (1) and meter repair (3) areas.

AIRPORT FUND

The Executive Airport Division of the Community and Economic Development Department develops, operates, and maintains Fort Lauderdale Executive Airport and Industrial Airpark and the Downtown Helistop. The Airport is self-sustaining, with revenue generated by land leases and fuel flowage fees. The Division administers 46 land leases for both aviation-related and Industrial Airpark property. Airport revenues are expected to increase by 8.87% from \$3,986,526 in Fiscal Year 1998/1999 to \$4,340,322 in FY 1999/2000. Expenses are predicted to increase by 7.2 % from \$3,413,739 in FY 1998/1999 to \$3,662,008 in FY 1999/2000. The budget surplus will total \$678,314 or 16% of projected revenues available for Airport Capital Improvements and the Airport Enterprise Fund. The Airport Enterprise Fund will total over \$9 million in FY 1999/2000.

Executive Airport achieved the rank of 8th busiest general aviation airport in the country based on itinerant operations in 1998 with over 240,000 operations. It also ranks as the busiest general aviation airport for U.S. Customs activity in the United States. The facility offers a 24-hour FAA Air Traffic Control Tower, U.S. Customs service, 24-hour Aircraft Rescue and Fire-fighting, 24-hour contract security, and a Fort Lauderdale Police Substation. The Airport also offers an Airport Observation Area, two universities, the Broward County Sheriff's Aviation Unit, and an Army Reserve Engineer Battalion.

Six fixed base operators on the field provide fueling, maintenance, and other services to over 850 based aircraft, including 84 jets and 42 helicopters. Airport tenants pump over 7,000,000 gallons of fuel per year, 77% of which is jet fuel. Aviation-related businesses generate an annual economic impact of over \$150 million in the community and employ over 2,100 people.

The Airport Division, with the help of City Engineering, continued construction of the new \$3 million Downtown Helistop. This permanent elevated Helistop will replace the interim ground level facility developed across from City Hall in 1991. The new facility is scheduled for completion this year and will provide quick and easy access to Fort Lauderdale's Central Business District. No local tax dollars are being used to complete this project.

SUNRISE KEY NEIGHBORHOOD IMPROVEMENT DISTRICT

In accordance with State Statute regarding safe neighborhood districts, the following budget is based upon a millage rate of 1.5 mills.

Professional Services	\$ 1,500
Security & Other Services	23,000
Vehicle Expenses	4,200
Repair and Maintenance	3,600
General/Liability Insurance	4,300

Contingencies	2,400
Matching Funds Project	<u>20,000</u>
Total	\$ 59,000